

**WOODS  
BAGOT™**

Education Futures

University Grads Don't Make the Grade

**PUBLIC** NEXT GENERATION  
GLOBAL STUDIO

The next generation of business leaders will face a world that is the most complex, dynamic and fast-moving in history. How do we prepare students to meet these 21st century demands? The answer lies not just in new approaches to teaching and embracing technology. Our challenge requires a complementary spacial response – education environments that inspire collaboration, drive curiosity and foster leadership.

# Education Futures

## University Grads Don't Make the Grade

Woods Bagot recently commissioned Global Strategy Group, a prominent research firm, to conduct an online survey of 500 elite business decision-makers in the United States.

Business elites are defined as decision-makers who:

- Hold the title of Principal, CEO, CFO, COO, Managing Director, or Vice President (79%) or are senior level employees who rank in the top 25% of company hierarchy (21%);
- Work at companies with 100 or more employees (one-quarter (24%) work at companies with more than 10,000 employees);
- Work at companies where at least 25% of the workforce is comprised of salaried employees;
- Have decision-making authority when it comes to things like company strategy, personnel oversight;
- Earn upwards of USD 100,000 annually; and
- Are at least 35 years of age.

Business elites were asked to evaluate the quality of both their workforce and workspace.

Elites were probed specifically about employees hired out of college or graduate school with no prior work experience, referred to throughout this report as recent college graduates.

# Education Futures

## University Grads Don't Make the Grade

### Overview

Business decision makers are not impressed with today's college graduates.

- Students are only somewhat or not at all prepared for success in the business world.
- Few graduates who apply for work have the skills needed to succeed in an entry-level position.
- Even fewer possess the skills they need to advance or be promoted.

Recent graduates fall short of expectations on highly-valued attributes like problem-solving, collaboration and written communications skills, while exceeding expectations on little-valued social media and technology skills.

- While technological savvy may be important to business leaders of the future, it ranks at the bottom of executives' list of desired skills for today's graduates to possess.
- Leaders place much greater emphasis on the aforementioned attributes, but recent graduates are falling short of expectations in these critical areas.



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## University Grads Don't Make the Grade

Executives blame institutions of higher education in part for failing to adequately prepare graduates for success in the business world.

- Executives believe that the business world has changed far more in the past 15 years than institutions of higher learning.
- And, they believe that education has not kept pace with the changing needs of businesses.

Business leaders believe that the spaces in which students learn impact their future success.

- Executives advocate for more intimate education spaces, like small meeting rooms, which accommodate small groups and large, open tables or work stations, as compared to lecture halls and tradition classrooms.

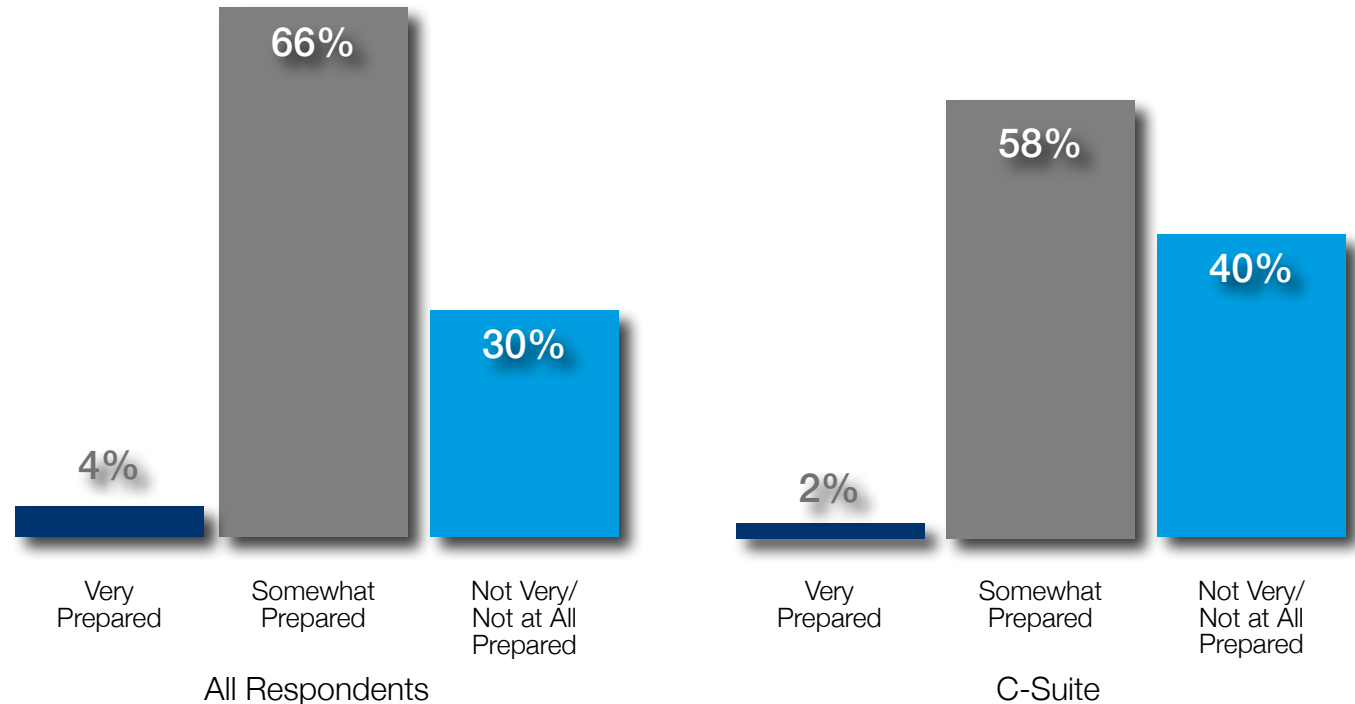
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## University Grads Don't Make the Grade

Here's what we asked:

"How prepared are college graduates for success in the business world – very prepared, somewhat prepared, not very prepared, not prepared at all?"

▶ Business decision-makers are not impressed with today's graduates and their preparedness to succeed in the business world. C-Suite executives are even more critical of graduates.



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## University Grads Don't Make the Grade

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Here's what we asked:

“What percent of graduates applying to work with your company possess the skills they need to succeed in an entry-level position with you?”

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- 60 percent of all respondents say that less than half of graduates have the skills they need to succeed.
- 70 percent of C-suite executives say that less than half of graduates have the skills they need to succeed.
- About one-third of respondents and c-suite executives say that only a quarter of graduates have the skills they need to succeed.

“ Kids have a fair amount of subject knowledge and very little understanding of how to actually work within a business or how to apply their knowledge in an entry level setting.”

– Survey Respondant

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## University Grads Don't Make the Grade

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Here's what we asked:

“What percent of graduates applying to work with your company possess the skills they need to advance or be promoted at your company?”

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Even fewer believe the majority of graduates applying to their company have the skills they need to advance or be promoted.

- 43 percent of respondents say that less than a 1/4 of grads have the skills they need to advance.
- 47 percent of c-suite respondents say that less than 1/4 of grads have the skills they need to advance.

“ Most graduates are very book smart and technically astute. However, they lack knowledge in standard and traditional business mores and respected hierarchical structures and respect for practical experience. There appears to be a sense of entitlement based on educational experience rather than practical experience. ”

– Survey Respondant

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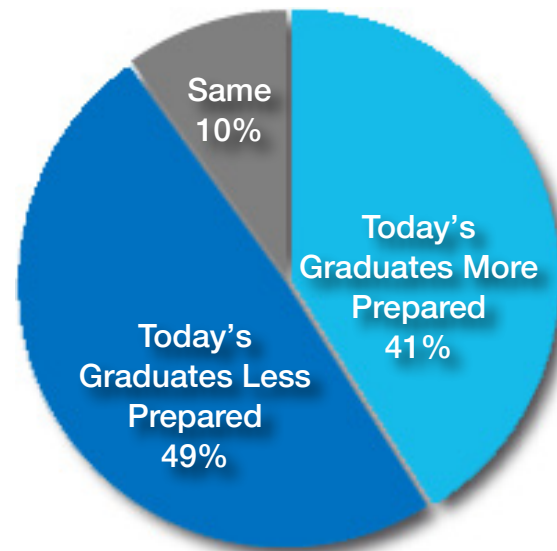
## University Grads Don't Make the Grade

Here's what we asked:

“Are today's graduates more or less prepared for success in the business world than graduates fifteen years ago?”



Executives tend to believe today's graduates are less prepared for success in the business world than their counterparts 15 years ago.



About half of business leaders tend to think graduates of fifteen years ago were more prepared than graduates of today regardless of age, and even younger business leaders favor graduates of fifteen years ago:

- 41% graduates today more prepared, 48% less prepared among 35 to 44 year-olds;
- 41% more, 48% less among 45 to 54 year-olds; and
- 40% more, 51% less among leaders ages 55 and older.

“One of the main issues with new college graduates is that they don't have a great work ethic. They can expect upward mobility only by showing consistent, strong effort.”

– Survey Respondant



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## University Grads Don't Make the Grade

Here's what we asked:

“Beyond the technical requirements of your industry, what are the three most important skills or attributes new hires need in order to succeed at your organization?”



Problem-solving, collaboration and critical-thinking skills are the most sought after attributes for graduates of today and tomorrow to possess. Social media and technology skills fall to the bottom. Only 5% of executives put technological/social media skills in the top three.

Skills or Attributes	Today Top 3
<b>Problem-Solving Skills</b>	49
<b>Collaboration/Ability to Work as a Team</b>	43
<b>Critical Thinking</b>	36
Written Communication Skills	31
Open and Responsive to Change	22
Leadership Skills	18
Ability to Focus	16
Independent Thinking	13
Responsive to Feedback	13
Ability to Innovate	12
Social Skills	12
Presentation Skills	10
Creativity	10
Understanding of Global Business Issues	8
<b>Technological/Social Media Skills</b>	5

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## University Grads Don't Make the Grade

Here's what we asked:

“What do you think will be most important the three most important skills or attributes new hires need in order to succeed fifteen years from now?”



Even 15 years from now, executives say problem-solving, collaboration and critical thinking will be essential. Social media/technology becomes more important, but falls well below other attributes.

Skills or Attributes	15 Years Later
<b>Problem-Solving Skills</b>	41
<b>Collaboration/Ability to Work as a Team</b>	32
<b>Critical Thinking</b>	38
Written Communication Skills	16 ↓
Open and Responsive to Change	27
Leadership Skills	25 ↑
Ability to Focus	11
Independent Thinking	12
Responsive to Feedback	6
Ability to Innovate	23 ↑
Social Skills	8
Presentation Skills	6
Creativity	12
Understanding of Global Business Issues	24 ↑
<b>Technological/Social Media Skills</b>	18 ↑


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## University Grads Don't Make the Grade



Graduates are exceeding expectations in areas of lesser importance to leaders (technological skills) and falling short in areas deemed key to their success.

Below is a list of skills and attributes some people say are important to success in the business world. Using a scale that goes from 1 to 10, with 10 meaning they are exceeding expectations and 1 meaning they are falling far short of expectations, executives rate recent college graduates on each of the following:

	Skills or Attributes	Mean	% Rating 1-5
 Grads only “make the grade” in one skill.	Technological/Social Media Skills	7.7	12
	Creativity	5.9	39
	Open and Responsive to Change	5.9	43
	<b>Collaboration/Ability to Work as a Team</b>	5.7	44
	Social Skills	5.7	46
	Presentation Skills	5.5	49
	Ability to Innovate	5.4	52
	<b>Independent Thinking</b>	5.4	52
	<b>Problem-Solving Skills</b>	5.2	55
	Critical Thinking	5.0	62
	Responsive to Feedback	4.9	60
	Ability to Focus	4.9	63
	Leadership Skills	4.8	68
	Understanding of Global Business Issues	4.6	69
	<b>Written Communication Skills</b>	4.5	67

“Colleges need to emphasize both written and communications skills. Younger people are so dependent on shortcuts through texting and other social media that they avoid proper grammar and interpersonal verbal skills that are necessary in the “working world.” ”

– Survey Respondant

“Students today are well educated,  
but seem overly tied to technology.  
They can make computers and  
software dance, but struggle to  
interpret the results.”

– Survey Respondant

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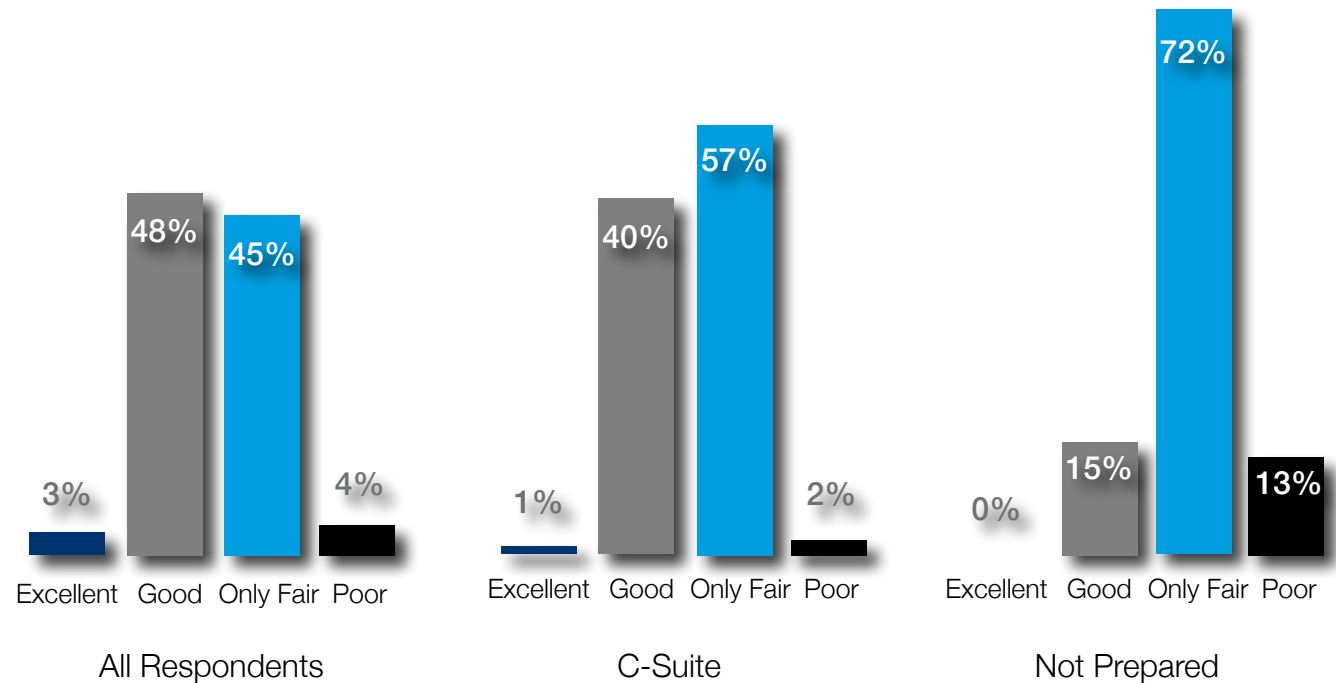
## University Grads Don't Make the Grade

Here's what we asked:

"How good of a job are today's colleges and universities doing preparing graduates for success in your industry?"



Business leaders are split on whether educational institutions are to blame for unprepared graduates. However, among those who say students are not prepared, the majority blame educators.



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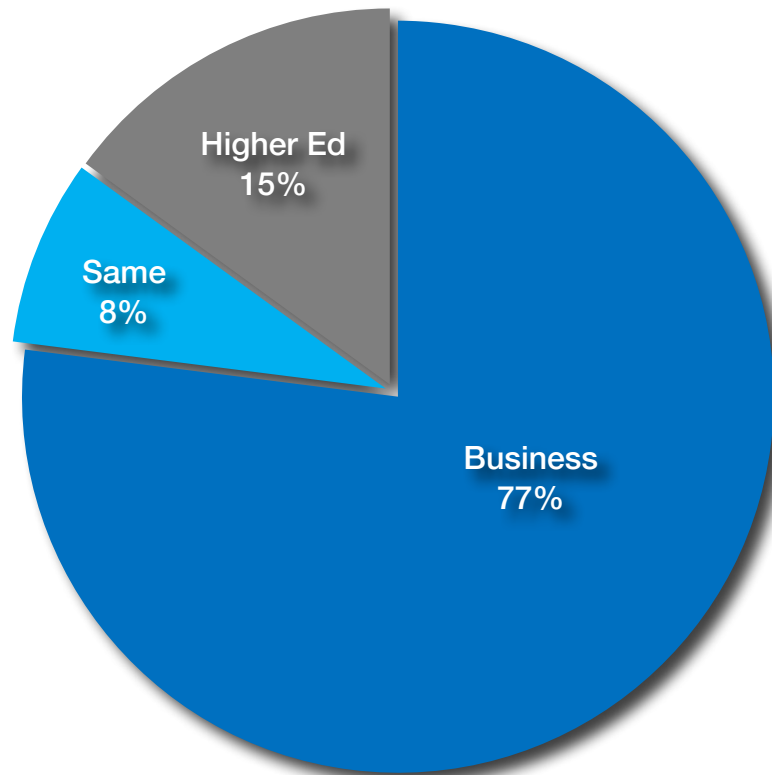
## University Grads Don't Make the Grade

Here's what we asked:

"Which has changed more in the past fifteen years – higher education or business?"



Business leaders overwhelmingly believe that business has changed more than higher education over the past 15 years, and...



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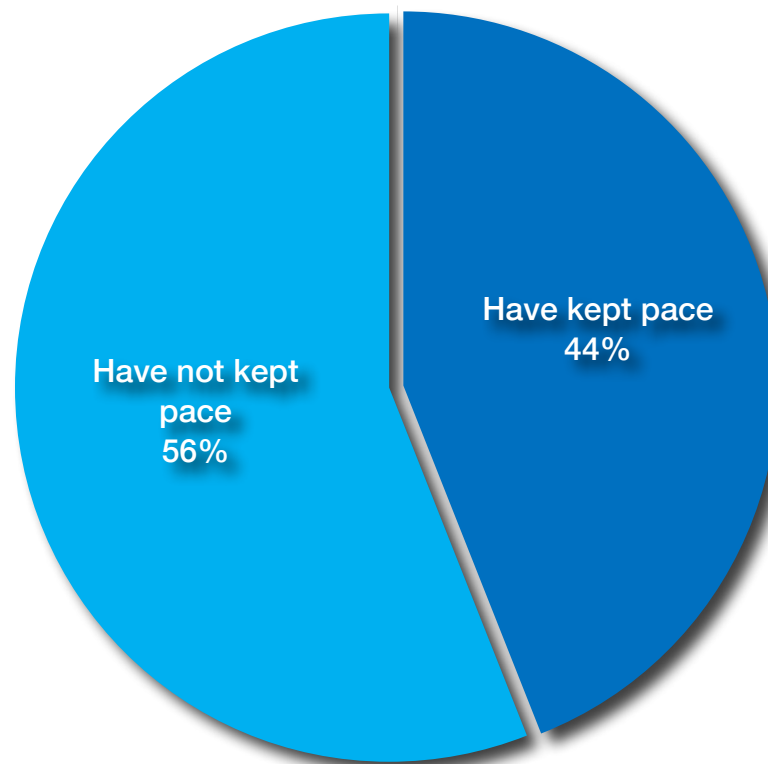
## University Grads Don't Make the Grade

Here's what we asked:

"Do you agree or disagree? Institutions of higher education have kept pace with the changing needs of business in order to prepare students for success in the business world."



...business leaders believe that institutions of higher education have failed to keep pace with the changing needs of business.





“Students need to think on their feet. It’s not all found in a book. They need creativity.”

– Survey Respondant

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What drives critical thinking,  
problem solving and collaboration?

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Space Matters.

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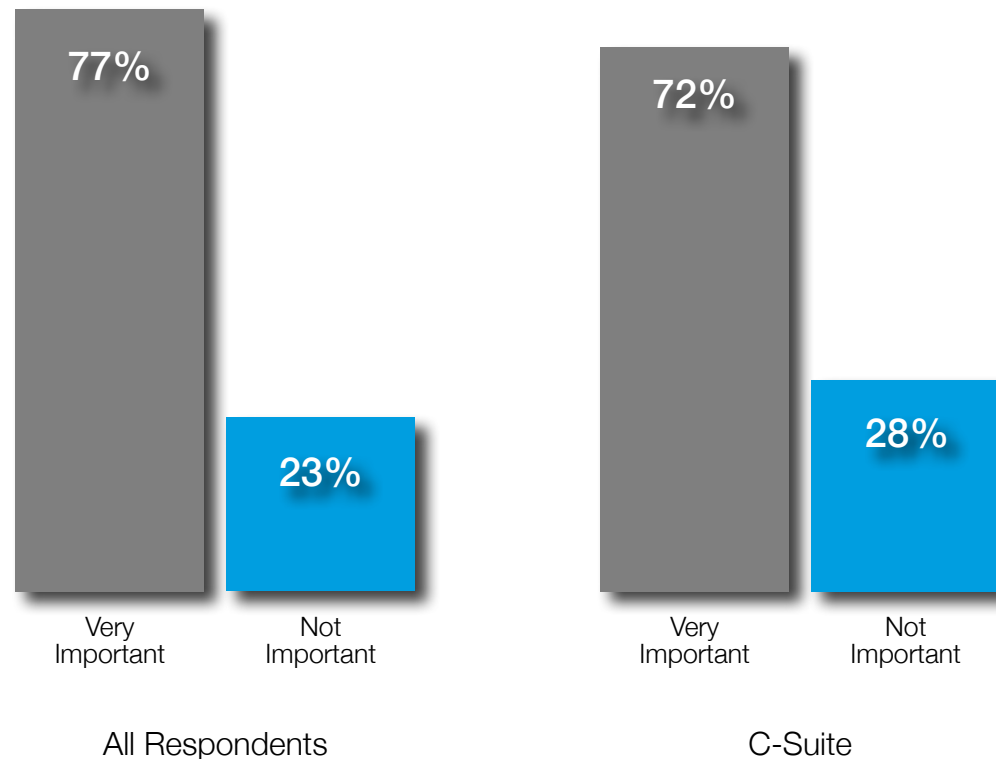
## University Grads Don't Make the Grade

Here's what we asked:

"How important is the physical space where students learn in to preparing them for success in the business world?"



Executives say learning spaces are tantamount to success.



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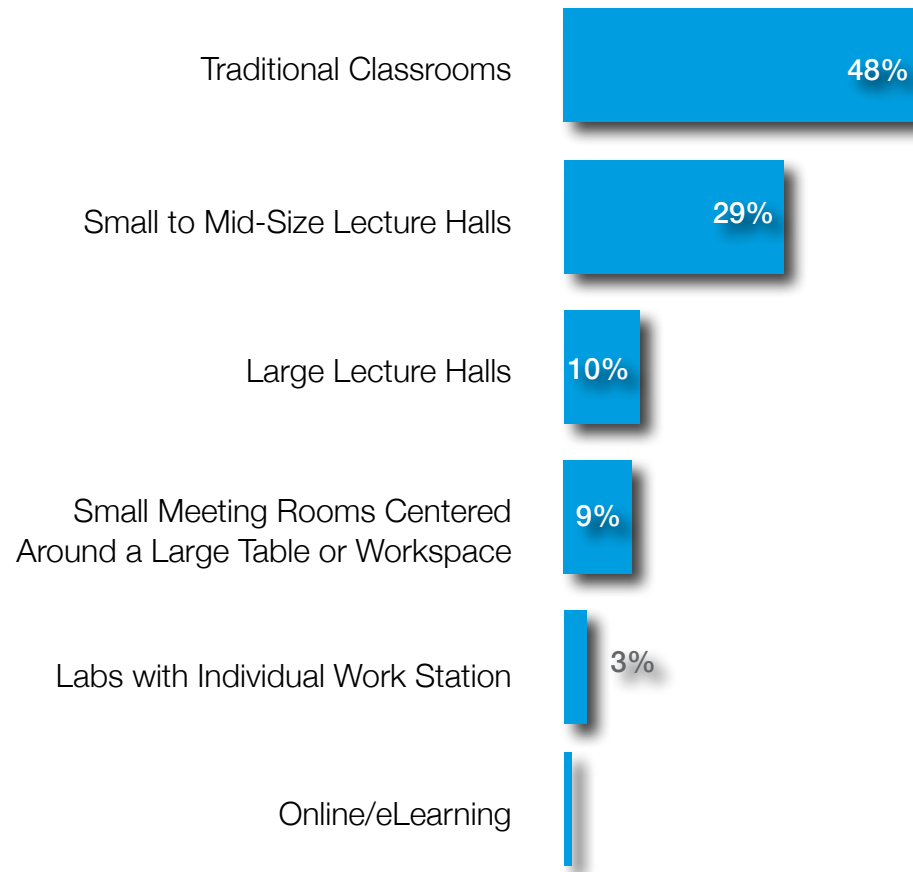
## University Grads Don't Make the Grade

Here's what we asked:

“Thinking about your undergraduate and graduate education, what type of educational space did you primarily learn in?”



Most executives were educated in traditional classrooms and lecture halls...



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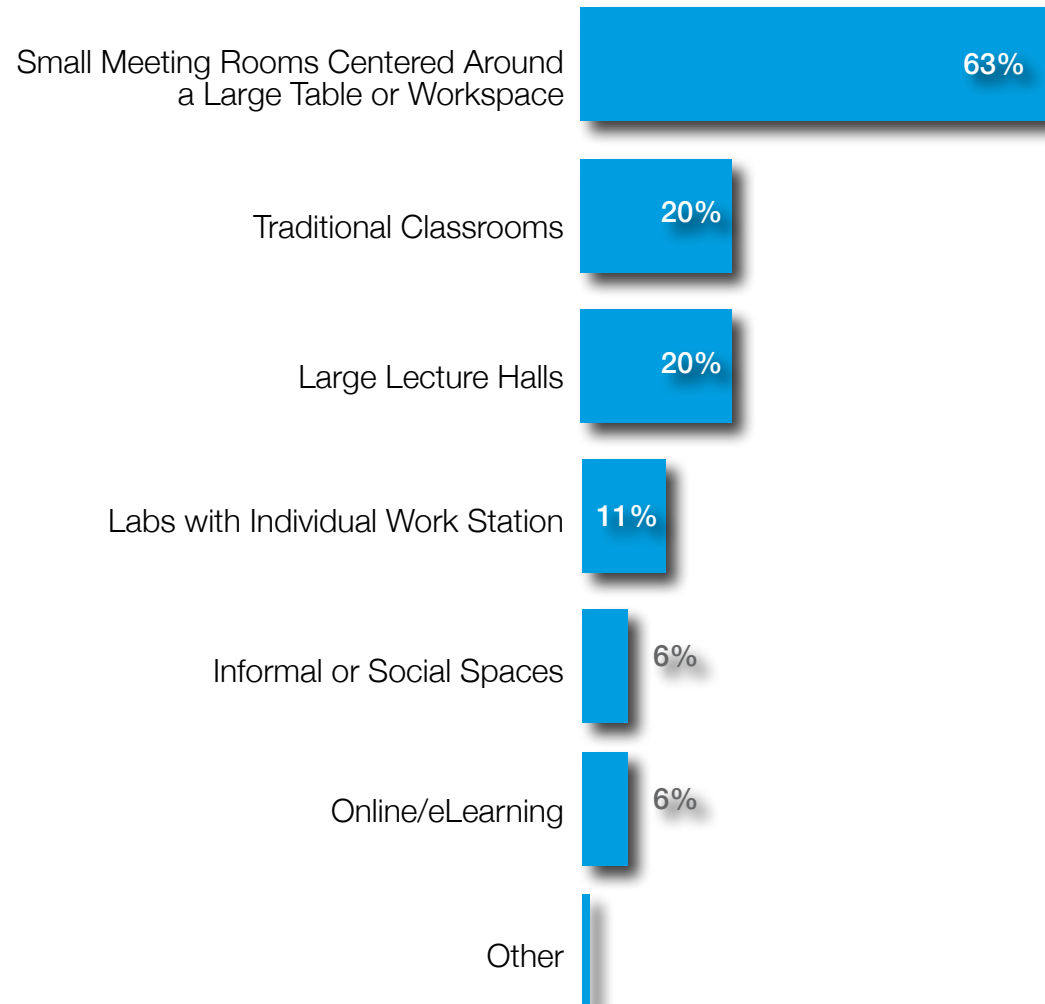
## University Grads Don't Make the Grade

Here's what we asked:

"Which of the following types of education is best suited to preparing students for success in business?"  
(Choose top 2)



...but they believe small meeting rooms with communal work spaces are ideal learning environments.



“ Use more real-world situations,  
increase problem-solving  
techniques, increase creativity  
and innovation in thinking,  
increase working in groups  
and team environments.”

– Survey Respondant

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So, how can we prepare the business  
leaders of the future to be more  
collaborative and creative?

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While learning philosophies are changing,  
the educational needs of the next  
generation must also be supported by  
the physical learning environment on  
campus. Yes, space matters.

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Classrooms haven't changed in  
100 years.

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The classroom remains teacher-centered, inflexibly collaborative and filled with expensive technology that is not integrated for optimal support of learning.

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What should the future learning  
environment look like?

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## technologically-enabled

Technology has transformed the ways students access information. Teachers should no longer spend most of their time transmitting information. They can instead nurture and facilitate the transformation of information into knowledge.



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flexible furniture, integrated technologies, dynamic screens that move and pivot and adapt, surfaces for writing, projecting and pinning-up, acoustics adapted for group and individual work, an absence of spatial hierarchy and an ability for students to rapidly reconfigure space







## collaborative

If the information which used to be transferred to the student in a classroom can now be accessed anytime and anywhere, then the primary role of a learning environment is to facilitate a social exchange among learners and between learners and teachers.





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promoting student collaborations, problem-solving, experimenting with an idea, discussing, debating among themselves and other peers beyond the classroom, negotiating and presenting their findings, in constant interaction with web-based technologies and impromptu briefings with teachers







## flexible

Flexibility emerges as the most important characteristic of a collaborative learning environment. Flexibility in facilitating a variety of modes of social exchange, flexibility in responding to the particular needs of the participants, and the potential for quick and spontaneous reconfiguration of these relationships.



## fun

One of the most significant barriers to a student developing a culture of lifelong learning is boredom. As designers, we take very seriously the need to create enjoyment in learning through stimulation, discovery, recognition, and, yes, fun



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active-learning environments that are customizable, experiential, experimental and creative places, of high-quality to create a sense of ownership and identity





new pedagogies  
+ new technologies  
+ new learning spaces

= improved critical thinking, problem  
solving and collaboration

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